

SOUTH DAKOTA BOARD OF REGENTS

Budget and Finance

AGENDA ITEM: 10 – E

DATE: June 28-30, 2016

SUBJECT: Dakota State University Residence Hall/Student Services Space Renovation Update

The Dakota State University Building Committee for the Residence Hall/Student Services Space Renovations (formerly known as the Madison Community Hospital building) met on June 2nd to approve the guaranteed maximum price (GMP) for the project. Several value engineering options were accepted, reducing the overall construction cost. The options were carefully considered by the university, architects, and construction manager. Even though these reductions were accepted, the committee felt the options did not materially change the quality of the facility.

Next, the committee agreed to add additional dollars to the original budget of \$7,420,357. DSU Auxiliary reserve funds of \$420,000 will be added to the \$7,000,000 in bonds proceeds and \$420,357 from HEFF. The HEFF funds will be dedicated to the Learning Engagement Center portion of the facility. The new budget amount is \$7,840,357.

Add alternates were then listed. These items are outside the project budget, but if bids come in lower than the budget amount or if the contingency budget is still available, the alternates may then be accepted.

With the building committee's approval of the GMP, the Construction Manager, Journey Construction, is now working with OSE on a new bid schedule. Construction will begin yet this summer with completion of the project and opening of the residence hall rooms beginning with the Fall 2017 semester.

INFORMATIONAL ITEM